

**CITY OF SEATTLE
ORGANICS PROCESSING
REQUEST FOR PROPOSALS**

MARCH 29, 2012



PRE-RELEASE DRAFT
SEATTLE ORGANICS PROCESSING RFP
Summary of Request for Proposals

The City of Seattle (the City) is requesting proposals for the processing of organic material produced by City's residential, commercial and transfer station services. Processing can include composting and/or anaerobic digestion into marketable end products such as compost, mulch, biogas for energy generation or fuel and digestate for composting and/or land application.

Service Description

Qualifying proposals will include processing of all or a portion of the yard debris, food scraps, food-soiled paper, approved compostable bags and approved compostable packaging collected by the City's residential and commercial contract services as well as from other customers at City transfer stations. The City collected and processed approximately 90,000 tons of organic waste in 2011. This amount is projected to grow toward 100,000 tons by 2020. **The organic tons *do not include* the approximately 40,000 tons of open market commercial organics collected and processed outside of the City collection and processing contracts.**

Proposals will be accepted for processing **one or more** of the waste stream components listed below:

1. **90-100%** of the City's mixed yard and food waste (approximately 80,000 – 100,000 tons per year.
2. **40-60%** of the City's mixed yard and food wastes (approximately 35,000 – 60,000 tons per year)
3. **5-10%** of the City's mixed yard and food wastes (approximately 4,000 – 10,000 tons of "wet" yard/food waste collected from business and apartment routes)

The City is requiring prices for **four different contract length scenarios for each waste component proposed:**

1. **April 2014 to March 2020** (6 year option starting in 2014 with two two-year extension through 2024)
2. **April 2015 to March 2021** (6 year option starting in 2015 with two two-year extension through 2025)
3. **April 2014 to March 2024** (10 year option starting in 2014 with no extensions)
4. **April 2015 to March 2025** (10 year option starting in 2015 with no extensions)

The City may award one, two or three organics processing contracts. Therefore, processors must price all four contract length terms for any waste components proposed.

Schedule

Proposals are due by **2:00 p.m. on May 29, 2012.** The City plans to select contractor(s) by August 31, 2012 and to sign contracts by December 31, 2012. Services will start on **April 1, 2014.or April 1, 2015.**

City Contact

All inquiries about this RFP must be made in written form (including mail, email or fax) to the Project Manager:

Hans VanDusen
Seattle Public Utilities
hans.vandusen@seattle.gov
206-684-4657

Delivery:
Seattle Municipal Tower, 59th floor
700 Fifth Avenue, Seattle WA

Mail:
P.O. Box 34018
Seattle, WA 98124-4018

RFP website – www.seattle.gov/util/solidwastecontracts

Unless authorized by the Project Manager, no other City official or employee is empowered to speak for the City with respect to this RFP. Proposers who contact other City officials or employees regarding this RFP may be disqualified.

The City reserves the right to reject any and all Proposals and to decline to award a contract for these services. The City will bear no responsibility for costs incurred in preparation of responses to this RFP.

CONTENTS

SUMMARY OF REQUEST FOR PROPOSALS	I
CHAPTER 1- BACKGROUND	1
CHAPTER II - BASE SERVICES.....	5
CHAPTER III - ALTERNATIVE PROPOSALS	9
CHAPTER IV - SELECTION PROCESS	10
CHAPTER V - PROPOSAL INSTRUCTIONS	16
CHAPTER VI - PROPOSAL QUESTIONS	18

APPENDIX A – PROPOSAL FORMS

APPENDIX B – ORGANICS PROCESSING CONTRACT

Additional resources and information available at the RFP website

(seattle.gov/util/solidwastecontracts)

Chapter 1- Background

The City of Seattle has a long-term recycling goal of 70% by 2020. Seattle recycled 53.7% of its municipal solid waste in 2010 and one-third of that recycling rate is made up of organic material collected for composting through City and private services.

This processing contract(s) will service around 90,000 tons of organic material that the City collects through its collection contracts and transfer station programs. This material includes yard debris, food scraps (pre and post-consumer), food soiled paper and compostable bags and service ware. ***This processing contract(s) does not include the substantial organic waste collected from Seattle businesses by private open-market vendors.***

The City's current collection contractors, Waste Management and CleanScapes, provide weekly curbside pickup of yard and food waste in their respective service areas from participating households, apartments and businesses. The City also contracts with CleanScapes to provide Citywide 'on-site' compost collection from some businesses and apartments that use a higher level of City contract service than the weekly curb pickup.

The Contractors deliver the collected yard and food wastes to the Seattle's two public transfer stations and to Waste Management's Eastmont Station, operating under contract with the City. The City and Waste Management (WM) load this collected material into walking floor trailers, along with yard and wood waste from the public station customers. Historically, the City has used primarily 40- foot trailers, but is transitioning to 48-foot stock over the next few years. WM uses primarily 48-foot trailers. The average 2011 net load weight for City yard waste in 40 –foot trailers was 17 tons. City and WM staff drive the trailers to the current organics processing contractor for processing. The City's current collection, transfer, and processing contracts are provided on the RFP website (seattle.gov/util/solidwastecontracts).

The table below summarizes current sources and destinations for the City's yard and food wastes.

Table 1. Seattle's Yard and Food Wastes

Service Segment	2011 Est. Customers	2011 Est. Tons/Year	2011 Transfer Destination
Curb service – Appx. two-thirds yard debris and one-third food scraps and compostable packaging	136,000 houses 4,900 apartments 320 businesses	80,000	North Station (26%) South Station (23%) WM Eastmont (51%)
Commercial service - Mostly food scraps and compostable packaging and smaller amounts of yard debris	600 apartments 420 businesses	3,000*	WM Eastmont (100%)
Self-haul – Nearly all yard debris and wood	28,400 truck and car trips	7,000	North Station (52%) South Station (48%)
Total yard and food waste		90,000	

****Commercial tons do not include open market services currently handling approximately 40,000 tons/year***

The delivered yard and food waste volumes peak in the late spring and fall as described in the table below.

Table 2. Tons per Month in 2011

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Tons	4,338	3,913	5,575	7,981	10,838	11,411	8,638	7,458	6,375	6,385	9,382	6,992
%	5%	4%	6%	9%	12%	13%	10%	8%	7%	7%	11%	8%

A full description of Seattle's organics diversion and participation for the last 20 years is provided in the SPU's 2011 Organics Report posted on the RFP website.

Residential Customers

Seattle has approximately 612,000 residents and approximately 145,000 single-family households. Residential (both single and multi-family) customers receive collection services for garbage, recycling and organics under City contracts. Currently around 95% of single-family customers receive weekly curbside organics collection service.

There are around approximately 7,300 apartments and condominium buildings in Seattle on garbage service. About 5,000 of them are signed up for yard and food waste collection. Most of these accounts are serviced on regular curbside routes, with a minority collected through the few commercial 'on-site' service routes.

Many of the apartments have carts lined with compostable bags which are provided by the City to the collection contractors. After the cart is emptied a new liner is provided after each collection.

Current customer and service requirements, for all sectors, are described on Seattle Public Utilities' website (www.seattle.gov/util) and in the Seattle Municipal Code (SMC) Solid Waste Chapter (SMC 21.36) available on the City Clerk's website (www.seattle.gov/leg/clerk).

Business Customers

Seattle has approximately 8,000 commercial garbage customers. Around 700 of these businesses receive organics collection service under the City collection contracts. These commercial accounts are serviced on both curbside and 'on-site' routes. Many commercial customers use compostable bag liners for carts and kitchen containers.

Most commercial food waste in the City is collected through private open market services that are not part of the City services or this RFP's processing contracts. In 2011 it is estimated that 35,000 – 40,000 tons of commercial food waste was collected by private companies from businesses for composting.

Self-Haul Customers

The City's North and South Transfer Stations both accept source-separated yard debris at a tipping fee less than that for garbage. Since 2007, self-haul yard debris has dropped by 46% (from an annual 14,000 tons in 2007 to roughly 7,700 tons in 2011). This drop could be due to possibly less demand for landscape care services in a slow economy or greater use of the curbside collection program available to single-family residents. In 2011 there were roughly 26,300 truck and 2,000 car trips bringing in yard trimmings to the City stations. Around 1,500 tons of source separated clean wood was accepted and deposited in the yard waste trailers.

Projected Future Growth in Organics Collection

Future growth in organics diversion is expected mostly with greater amounts of food waste and related compostable products being collected from single and multifamily residents. Seattle waste composition studies indicate that residential garbage in 2010 included 3% (3,000 tons) yard debris, 29% (33,200 tons) food waste, and 7% (8,000 tons of compostable paper). The RFP website contains links to the City's *2010 Residential Waste Composition Study* and *2008 Commercial Waste Composition Study*.

Yard waste has been banned from residential garbage since 1989. New disposal bans are being considered for single-family residential and multifamily food waste, which could be implemented as early as 2014 and 2015, respectively.

More businesses are also expected to sign up for food waste collection services though this may be predominantly through the private services offered and not through the City collection contract. A disposal ban on food waste in commercial garbage is also being considered by 2016.

The RFP and service contracts are also guided by the Seattle Comprehensive Solid Waste Plan. A major update to the Solid Waste Plan is underway which details new potential policy and program initiatives that will impact organic diversion tonnages starting most likely in 2014. The 2011 Solid Waste Plan Revision, "Picking up the Pace Toward Zero Waste" and its recommendations can be found at www.seattle.gov/util/SolidWastePlan.

When and if the proposed residential and commercial food waste bans are actually implemented remains to be seen. Likewise, estimates of organics tons to be processed depend on policies and programs executed in the future. The table below provides estimates of potential organics diversion, based on recent City solid waste planning process. The table presents projection for both continuing the current customer requirements and outreach programs and then for continuing these programs plus incorporating the proposed food waste bans.

Potential Organics Diversion from City Services in 2014 and 2024

Material	Potentials Tons in 2014		Potentials Tons in 2024	
	Current Programs <u>without</u> FW Bans	Current Programs <u>with</u> FW Bans	Current Programs <u>without</u> FW Bans	Food Waste Bans <u>with</u> FW Bans
Food waste	30,000	35,000	35,000	50,000
Compostable paper etc.	3,000	4,000	5,000	9,000
Yard waste	60,00	63,000	60,0000	63,000
Total	93,000	102,000	100,000	122,000

Composition of Organic Material Collected

The City is currently conducting a composition study of the percentages of yard debris (grass clippings, leaves, prunings, sod), food scraps, food soiled paper and compostable containers in single-family, multifamily and business carts and dumpsters receiving the City's collection services. The City will provide initial results from the first set of sampling data to vendors in April.

SPU estimates that approximately one-third of collected single-family organic waste is food waste and related compostable products through both field observations and econometric modeling that incorporates historic tons collected relative to climate data.

Chapter II - Base Services

This Chapter describes specific *Base Service* conditions for organics processing. These conditions represent a uniform service to which all Proposers must respond in their Base Proposal. The RFP also welcomes additional Proposals that lay out alternatives to the Base Service conditions (see **Chapter III - Alternative Proposals**).

The Base Services are described below. **Appendix B – Organics Processing Contract** contains definitions for terms and the contract details of processing.

A. Contract Processing

Proposers are required to submit Proposals for processing one or more of the following three options:

1. Processing 90-100% of the City's annual organic material
2. Processing 40 – 60% of the City's annual organic material
3. Processing 5-10% of the City's annual organic material

B. Materials for Processing

The Processor will receive for processing

- Yard debris (leaves, weeds and plants, grass clippings, prunings 4 inches or less in diameter, sod)
- All food scraps (pre-consumer and post-consumer, including meat, fish, dairy and produce)
- Food soiled paper (including soiled paper plates, cardboard, towels and napkins)
- Unpainted, untreated, and non-laminated wood deposited in transfer station yard debris trailers
- Waxed cardboard
- City-approved compostable bags
- City-approved compostable single-use food service ware (such as hot and cold beverage cups, soup and salad bowls, clamshells and other take-out containers, utensils, and other items)

City-approved compostable bags and food service packaging products will mean products that meet ASTM D6400 and D6868 or successor standards, whichever is applicable, and have been tested and found to be compostable by the City's current or future compost processor. The future processor will need to have a process capable of composting City-approved compostable bags and City-approved single-use compostable food service packaging. The Processor will maintain a transparent and expeditious testing program based on the proposed processing technology to verify the compostability of single-use food service ware and packaging at the request of the City, manufacturers or distributors.

The City plans to initiate a new City logo program for use on City-approved compostable single-use food service ware in conjunction with the new Organics Processing Contract(s). The City would develop,

license and promote an easily identifiable logo for use on relevant products to educate customers on proper disposal.

It should be noted that by ordinance, restaurants in Seattle providing single-use food service ware or packaging of any kind for consumption on or off premises must supply either compostable or recyclable products. Residents will be allowed to put approved compostable single-use food service ware and packaging such as take-out containers in their organics carts. A list of the currently approved compostable bags and food service packaging products can be found on the current City processor's website (www.cedar-grove.com).

Unacceptable materials for Organics Collection:

- Plastic bags
- Plastic-coated products such as cups and plates
- Waxed milk cartons
- Aseptic cartons
- MSW non-organic recyclables
- Styrofoam containers and packaging
- Large amounts of soil
- Kitty litter and pet waste
- Diapers

These and other non-organic materials will be handled as contaminants.

Pet Waste and Compostable Diapers

The City's Comprehensive Solid Waste Plan identifies the future recovery of pet waste and compostable diapers for processing. The addition of these items to the processing contract could be negotiated with the future processor(s). In 2010, these items comprised 18% or 20,000 tons of material disposed in the residential sector

C. Transfer Operations

The base specifications assume the City's contracted route collection trucks and self-haul customers will continue to tip at facilities located in Seattle, either the City stations, the current contracted station, or at a Proposer's facility in Seattle.

The base specifications assume the City and its transfer contractor will load organic material into walking floor trailers owned by the City or its transfer contractor or load into Proposer owned rail containers. The trailers will be hauled to a receiving facility within 50 miles of the City's South transfer station, located at 8105 5th Avenue South in Seattle. Proposers with a processing facility greater than 50 miles from the South transfer station will provide long-haul transportation and include that in their proposed prices.

Proposers are allowed to provide optional prices in their base proposal to transfer organic materials directly from route trucks.

D. Receiving and Processing Facilities

Specifications for receiving and processing facilities include, but are not limited to, that the operations:

- Are open 7 days a week to receive material.
- Weigh inbound and outbound trailers.
- Provide turn times at the receiving facility of less than 15 minutes for City trucks.
- Have Operations Plans that address at a minimum odor, noise, dust, surface water management, leachate collection and discharge, air quality, traffic and worker health and safety issues
- Have approved current permits and approved Operations Plans.
- Meet all current and future State and local regulations and permitting. Washington Department of Ecology regulations can be found at www.ecy.wa.gov (under WAC 173-350). State solid waste requirements are listed at apps.leg.wa.gov/rcw (under RCW 70.95).
- Provide continuous testing of final compost product to make sure that it meets state Compost Quality Standards.
- Test compostable bags and food service ware for use in City programs.
- Submit weekly electronic files of scale data and monthly reports
- Be available for City inspections and tours

E. Back-Up Facilities

The Processor shall have a back-up agreement with other permitted receiving and processing facilities (with equivalent capabilities to receive and process organics) in the event that the Processor is unable to accept all or a portion of collected organic material.

F. End Products

For **Composting Technologies**, all of the delivered organic material shall be processed into marketable materials such as compost and mulch. The contractor will routinely test end products to ensure that they meet relevant regulatory standards.

Compost end products shall meet the state Compost Quality Standards as specified under WAC 173-350-220 (4) (viii) and any subsequent revisions. Materials sorted and processed for land application shall meet the State's current and any future beneficial use program criteria. More information on state standards is provided on the Department of Ecology website (www.ecy.wa.gov).

Alternative daily cover at a landfill or "industrial waste stabilizer" are not acceptable end products. No organic material shall be disposed in a landfill or incinerator

For **Anaerobic Digestion Technologies**, sale of biogas for electrical generation and/or fuel are acceptable end products. Handling and composting of digestate must meet all current and future state regulations, guidance and testing standards. Liquid products must meet all current and future state regulations for use and testing standards.

G. Contaminants

The Processor will return contaminants from City loads for disposal by the City. The City will provide transportation of contaminants, if desired, from the receiving facility to a City disposal facility. The City will not charge the Processor for disposal of City contaminants. The amount of City contaminants will be determined based on waste composition studies conducted by the City on received organic materials in 2012 and approximately every four years after..The City will allow for rejection of heavily contaminated loads or portions of loads from City route trucks at in-town transfer sites. The City will continue customer outreach efforts focused on reducing contamination and continue to partner with collection contractors to monitor and reject contaminated customer containers. Tipping floors at the new City stations will allow for increased monitoring of inbound contamination prior to trailer loading.

H. Contractor Payments

The Contractor will be paid monthly per ton of organic material received. In the first contract year, processing payments will be made based on the tonnage processing price accepted by the City. In subsequent years, the tonnage price will be adjusted annually at 80% in the Seattle-Everett CPI.

The processor will retain all of the revenue from product sales. There is no anticipated market risk sharing with the City including possible energy sales.

H. Equal Benefits, Affirmative Efforts and Non-Discrimination

The Contractor must comply with the provisions of the Seattle Municipal Code (SMC) including, in particular, SMC Ch. 14.04 (Employment Practices), SMC Ch. 14.10 (Fair Contracting Practices), SMC Ch. 20.42 (Equality in Contracting), and SMC Ch. 20.45 (City Contracts – Nondiscrimination in Benefits), and the Contractor(s) must comply with state law including, in particular, RCW Ch. 49.60 (Discrimination - Human Rights Commission.)

I. Additional Contract Specifications

Detailed specifications for processing, reporting, compensation, nondiscrimination, employment practices and contracting, liability and other provisions are listed in **Appendix B – Organics Processing Contract**. All Proposers are responsible for understanding and agreeing to the draft contract specifications. The final processing contract(s) will be negotiated between the City and the selected vendor(s).

J. Amendments or Supplements

The City may amend or supplement this RFP. All updates will be posted to the RFP website at (www.seattle.gov/util/solidwastecontracts).

Chapter III - Alternative Proposals

The City encourages Alternative Proposals for processing which support the RFP priorities in Chapter IV. All proposals need to cover all elements of the base level of service. However, alternatives may also be proposed that could be beneficial to the City. Potential areas for alternative proposals could include:

- Modifications to terms or specifications that provide a lower price or better service.
- Additional grinding, screening or compacting of organic material prior to transport.
- Changes to the method of payment, inflation adjustments, or other financial incentives.
- A share of the City's mixed yard and food waste which differs from the percentage ranges listed in the RFP.
- City hauling to destinations greater than 50 miles away from the City's South Transfer Station.

Prohibited alternatives

There are a few specific provisions that must be followed for acceptable Alternative Proposals:

- The processing system must produce marketable compost and/or land application products that meet applicable Washington State standards.
- The Nondiscrimination and Equal Benefits requirements cannot be waived.

Evaluation of Alternatives

Instructions for submitting Alternative Proposals are provided in **Chapter V - Proposal Instructions**.

Proposals will be evaluated specifically under the RFP principles and the Evaluation Criteria in **Chapter IV - Selection Process**. If the City concludes that an Alternative Proposal offers superior benefits, then the City may require other finalists to propose a price for that alternative.

Chapter IV - Selection Process

The City has developed a review process, involving specific review phases and flexibility within each phase, for selecting final and winning Proposals. The City has established specific criteria to guide the evaluation but does not anticipate using a weighted ranking system.

A. Proposed Schedule

The Director of the Seattle Public Utilities has set the following proposed schedule for receipt and review of Proposals. The schedule may be changed at the City's discretion. Any Proposal may be rejected during any of the phases listed below.

Phase I – RFP Distribution and Information	
Pre-release Draft RFP on Website	March 2
Comments on Draft RFP Due	March 15
Response to Comments Posted	April 3
Final Request for Proposals Posted	March 29, 2012
Proposer's Conference	April 5 (2:00 – 4:00 pm)
Initial Proposer Questions Due	April 9
Responses to Initial Questions Due	April 16
Final Proposer Questions Due	April 23
Responses to Final Questions Posted	April 30
PROPOSALS DUE	May 29, 2012 (2 pm)
Phase 2- Proposal Review	
Clarification requests by City	June 12
Clarification responses by Proposers due	June 19
Presentation Questions from City (<i>City's option</i>)	June 28
Presentations by Proposers (<i>City's option</i>)	July 17
Phase 3 – Selection and Negotiations	
Notification of selected contractors	August 31
Final Contract	October 31
Legislative Approval	December 31
Service Begins	April 2014 or April 2015

B. RFP Distribution and Information

- 1. Pre-Release Draft of RFP** – The City posted a pre-release draft of the Organics Processing RFP in early March on the RFP website. Comments and questions were accepted on this draft through March 15 and responses were posted on the RFP website.

2. **Final RFP** – The City released the Final RFP for Organics Processing on **March 30, 2012**.
3. **Proposers' Conference and Inquiries** - All Proposers are invited to meet with City representatives to ask questions at a conference to be held on **April 5, from 2:00 p.m. – 4:00 p.m.** at the **Seattle Municipal Tower, 700 Fifth Avenue, in Conference Room 4050/4060**. Seattle Public Utilities staff, including the Project Manager, will attend the conference. Questions posed at the conference will be recorded. The City will take additional initial written questions on the Final RFP through April 10, 2012. Responses to unanswered questions from the Proposer's Conference and those received in written format through April 9 will be provided by April 16.

Additional questions can be submitted to the Project Manager electronically through April 23. The City will provide responses this final set of questions website by April 30, 2012.

C. Initial Proposal Review

All Proposals will be reviewed for clarity and completeness. Proposals must include a) responses to all questions in Chapter VI and b) all completed forms in Appendix A.

Proposals determined to be complete and responsive will be forwarded to the Contractor Evaluation Committee. The City may request clarifying information and/or may choose to remove Proposals from further consideration without seeking additional information. The City may also require presentations. *The City reserves the right to reject any and all Proposals.*

D. Contractor Evaluation Committee

Proposals will be evaluated by a Contractor Evaluation Committee (CEC) composed of individuals with legal, financial, and solid waste management backgrounds appointed by the Director of Seattle Public Utilities. The CEC may include outside consultants.

E. RFP Priorities and Evaluation Criteria

The CEC will evaluate all Proposals based on the **RFP priorities** as listed below:

- Low system cost
- Reliable service levels
- Competitive proposals now and in the future
- Quality output commodities and end-uses
- Minimal environmental and public health impacts
- Flexibility to modify services
- Minimal residuals from processing

These values and priorities help guide the CEC in selecting Proposals that are responsive and innovative in supporting the City's values.

The following evaluation criteria - and the supporting **Chapter VI - Proposal Questions** - were developed to provide specific guidance to the CEC in understanding program priorities and selecting Proposals that meet the RFP priorities.

The **evaluation criteria** are divided into four categories with relative priorities allocated to each category:

- 45%** System Costs
- 25%** Proposed Processing Technologies, Environmental Controls, and End Markets
- 20%** Vendor Experience with Proposed Technology, Regulatory Compliance, and Product Sales
- 10%** Support for Workforce, Diversity and Sustainability

The percentages are provided only as guidance to CEC members to clarify the relative priorities of the City. The City does not expect to use a weighted ranking to compare Proposals. More explanation of what will be considered under these categories is described below:

1. System Costs (45%)

- Processing contractor payments per ton over the contract term
- Marginal cost impacts to SPU operations and transportation
- Marginal impacts on City payments to City collection or transfer contractors

2. Processing Technologies and Environmental Controls (25%)

- Proposed processing technology for composting and/or anaerobic digestion meets or exceeds current state and local regulatory standards
- State of the art systems for receiving, grinding and moving materials on site
- Proposed environmental controls
- Odor mitigation measures
- Quality end products
- Reliable contingency plans for transportation and operations and permitted back-up facilities
- Effective redundancy with regional vendors or operations.
- Flexibility to accommodate other types of organics

3. Experience with Site Operations, Regulatory Compliance, Product Sales (20%)

Experience of firm and key personnel with:

- Composting and/or anaerobic digestion operations as proposed
- Permitting and regulatory compliance of or proposed or similar facilities
- Resolutions to operational and regulatory challenges
- Environmental and community issues such as odor, air quality, surface water runoff and leachate management
- Quality end products
- Selling end products to the agricultural, public agency, landscaper and/or homeowner markets

4. Support for Workforce, Diversity and Sustainability (10%)

- Record and commitment on worker health and safety
- Employee wage and benefits packages

- Record and commitment to workforce diversity
- Diesel particulate emissions for transportation and operations
- Net greenhouse gas impacts from combined City and proposer transportation and operations
- Other favorable workforce programs and sustainable business practices
- Proposed outreach partnerships with SPU to increase diversion, limit contamination and reduce customer confusion

Furthermore, all SPU services and decisions are handled in a framework of a comprehensive Asset Management approach that focuses on delivering agreed service levels through investments that produce optimal life-cycle costs (examining financial, environmental, and social impacts).

F. Interviews and Presentations

The City has the option of requesting presentations by some or all of the Proposers during proposal review. Interviews will take place in closed meetings. The CEC will attempt to submit a list of questions and issues to be addressed in the interview, at least one week prior to the interview.

G. City Investigation and Inspections

The City reserves the right to make independent investigations as to the qualification of the Proposer and the sustainability of a proposed site. Such investigations may include site visits to existing operations or proposed sites and discussions with permit issuers and/or regulators.

H. Contractor Evaluation Committee's Recommendation

Upon completion of its evaluation, the CEC will make its recommendation to the Director of the Seattle Public Utilities. The recommendation may be to negotiate with those Proposer(s) that demonstrate the best match with the evaluation criteria, or to reject all Proposals.

I. Reservations and Limitations

- 1. Authority to Accept or Reject Proposals** - The City reserves the following rights: to reject any or all Proposals at any time with no penalty; to discontinue its negotiations after commencing negotiations with a finalist, if progress is unsatisfactory, and commence discussions with another Proposer; to contract with those finalists who in combination produce the most advantageous result; to accept and negotiate contracts with either one, two or three Proposers as the City decides would be in its best interests.
- 2. Proposer's Self Reliance** - Proposers are expected to be knowledgeable about the material to be processed, including the tonnage and percentage of the various commodities in the delivered material. Proposers are expected to determine the appropriate equipment to provide the required services.
- 3. Proposer's Responsibility for Costs** - The City will not reimburse any Proposer for any costs involved in the preparation and submission of Proposals, in making an oral presentation, or in contract negotiations.

4. **Submission of Proposal** - Proposals must be valid for 18 months after submission. Proposers may be requested to extend their Proposals for an additional period of time.

Chapter V - Proposal Instructions

Proposers should carefully follow the instructions in this Chapter for communicating and submitting Proposals. To be responsive, Proposals should be completed, organized and submitted as described in this Chapter.

A. Communications

All communications regarding this RFP must be made in written form (including mail, email or fax) to the Project Manager:

Hans VanDusen
Seattle Public Utilities
hans.vandusen@seattle.gov
206-684-4657

Delivery:
Seattle Municipal Tower, 59th floor
700 Fifth Avenue, Seattle WA

Mail:
P.O. Box 34018
Seattle, WA 98124-4018

Unless authorized by the Project Manager, no other City official or employee is empowered to speak for the City with respect to this RFP. Proposers who contact other City officials or employees regarding this RFP may be disqualified.

Proposers are encouraged to attend the Proposers' Conference and provide written questions to the City as described in Chapter IV. All City responses and RFP addendum will be posted to the RFP website.

B. Submitting Proposals

- 1. Deadline** - All Proposals, with required copies, must be received by the Project Manager, Hans VanDusen, at the address listed above, on or before **2:00 p.m. on May 15, 2012.**
- 2. Copies** - Proposers shall compile and submit one signed original, six collated copies, and an electronic PDF of their Proposal. Proposal should be concise and printed on recycled, double sided paper. The RFP forms will be provided by the City in MS Word document format.
- 3. Format** - Proposals must respond to all required and relevant questions in **Chapter VI - Proposal Questions** and complete all required and relevant forms found under **Appendix A. Proposal Forms.**

Proposers shall list each evaluation question before the corresponding response and maintain the order and numbering of the questions from the RFP. Completed forms will be included in each relevant section with the relevant proposal question.

All proposals must be clearly organized and labeled in the following **seven separate sections**:

- Section A. Proposal Overview**
- Section B. Vendor Commitment and Background**
- Section C. Proposed Processing Operations**
- Section D. Proposed Transfer and/or Trans-load Operations (if applicable)**
- Section E. Support for Workforce, Diversity and Sustainability**
- Section F. Price Proposals**
- Section G. Alternative Proposals**

C. Proprietary Proposal Material and Public Documents

The City requests that companies refrain from requesting public disclosure of proposal information until an intention to award is announced, as a measure to best protect the RFP process. With this preference stated, the City shall continue to properly fulfill all public disclosure requests for such information as required by State Law.

Proposers should understand that any records (including but not limited to proposal submittals and related materials) they submit to the City become public records under Washington State law (See RCW Chapter 42.56, the Public Records Act). However, public-disclosure exemptions are narrow and specific. Proposers are expected to be familiar with any potentially-applicable exemptions, and the limits of those exemptions. Proposers will complete **Form 4. City Non Disclosure Request** to identify any records they believe exempt from disclosure.

Chapter VI - Proposal Questions

The proposal questions below were developed to directly support proposal evaluation and the stated evaluation criteria. Please read the evaluation criteria to fully understand the City's priorities in evaluating proposals and selecting a Contractor(s).

This entire set of questions must be completed for your Base Proposal. For any Alternative Proposals, provide new responses if the response would differ from the Base Proposal.

List the question before each answer. An answer to a question may refer to a document or page where the information may be found without repeating it, provided that any document referred to must be submitted with the Proposal. A cross-reference may be made if the answer to one question also appears in an answer to another.

Section A. Proposal Overview

In Section A of the Proposal, Proposers will *briefly* describe:

- **The base proposal and proposed operations**
- **The strengths of the Proposer and proposed operations**
- **Alternative Proposals if applicable**

Section B. Vendor Commitment and Background

1. Complete **Form 1 Proposer Commitment** and **Form 2 Surety Intent** acknowledging commitments regarding this Proposal and potential ensuing contracts.
2. Complete **Form 3 City of Seattle Vendor Questionnaire** regarding the company and partners. Form 3 includes vendor contact information, ownership, financial resources and responsibility, affirmative contracting (including an inclusion plan for subcontractors or new employees) disputes, compliance, and involvement by current and former City employees.
3. Complete **Form 4 City Non Disclosure Request**.
4. Complete **Form 5 Principal Staff** and list all principal officers and individuals responsible for implementing the service for Seattle and attach their resumes. Also list principal officers and individuals for partners and subcontractors and attach their resumes. Attach an organizational chart if necessary to explain the interrelationships between staff members who will provide the processing service.
5. Describe your **prior experience** with implementing and managing relevant large scale composting and/or anaerobic digestion operations, including your experience with:
 - the technology and scale in your proposal
 - permitting, regulatory compliance and environmental controls

- producing quality end products and marketing to a variety of buyers
6. Explain fully any **litigation, and related outcomes, within the past seven years** involving any company, partner, holding company, or subsidiary in this venture, or any corporate officer, including litigation arising from each of the following:
 - performance of an organics processing or marketing contract
 - violation of local health or environmental laws or regulations
 - violation of state or federal anti-trust laws
 - allegation of corrupt practices
 - regulatory complaints or violations related to your operations
 7. Describe any **regulatory complaints or violations** related to your processing operations in the Pacific Northwest received within the last seven years.
 8. Provide a **balance sheet, income statement, and statement of the sources and uses of funds** for the most recent operating year for each of the proposing firms or for the proposing joint venture. *[If the proposing entity is a new joint venture with insufficient history for requisite financial statements, then submit financial statements for each company in the joint venture.]*

Section C: Proposed Processing Operations

1. Complete **Form 6 Facility Volumes and Capacity** describing proposed material quantities and flows at your facility during peak and non-peak months, excluding tons from a future Seattle processing contract. **Form 6** should be filled out for each facility that the proposer will use for contract waste.
2. Describe the **proposed composting process** *(if applicable)*. Identify the type of process for mixed organic material, methods of pile aeration, retention times during different phases of composting, and how pathogen reductions will be achieved and measured. Provide a process flow diagram.
3. Describe the **anaerobic digestion process** *(if applicable)*. Identify the type of digestion process you are proposing and describe how materials will be received, screened, placed in digestion chambers (or introduced into tanks) and how PFRP will be achieved and measured. Describe what happens to the solids after digestion – if they are further composted (then describe the process) or land applied. Provide a process flow diagram.
4. Describe the status of relevant **permits and regulatory conditions** for receiving and processing facilities. Attach the following:
 - a) Health agency annual operating permits for 2011 and 2012 (if 2012 is available)
 - b) Building permits
 - c) Storm water discharge and leachate treatment permits

- d) Air quality permits
- e) SEPA review or major changes
- f) Other relevant permits

5. **For new proposed facilities** please provide the following information:

- a) Current property owner and development status;
- b) Schedule for constructing the processing facility;
- c) If the property is not owned by the Proposer, a copy of the option agreement to purchase the property or other document or agreement indicating that Proposer may use the property if selected;
- d) Documentation that the proposed location is in an area that is zoned for processing of organics
- e) Status of all pending permits and approvals from the local building department, local Health agency, local air quality authority, WA State Department of Ecology and other relevant agencies;
- f) Anticipated schedule for submitting and receiving approval for SEPA documentation, building permits, health department operating permits and any other permits or approvals required; and
- g) Propose specific contract language, including penalties, in the event a processing contract is signed, and subsequently (i) you are unable to obtain permits and approvals, or (ii) there are delays so that you are unable to accept organic material for processing on April 1, 2014.

6. Provide an electronic version for the **Operations Plans** for the primary facilities.

7. Describe your mechanisms for **screening out contamination** before and after the active composting phase and /or before and after digestion (if applicable).

8. Describe your **strategies for reducing environmental impacts** such as odor, dust, noise, surface water runoff, leachate runoff and litter blowing from site.

9. Identify and describe your **odor mitigation plans** for each step in the composting process from waste acceptance, grinding, placement in piles, composting, curing, screening of final product and product storage.

10. Describe your plans for **accidents and releases** to the environment.

11. Provide **map of the facility and surrounding area** showing zoning and the location of nearby residences, schools or other potentially sensitive uses.

12. Describe the **proposed traffic flow to and from the facility**.

13. Provide **evidence of neighborhood/community acceptance** of facility. Evidence of acceptance could include actions you have taken to communicate with the neighborhood/community and steps

taken to address any neighborhood concerns. It could also include letters of support from community organizations.

14. For processing facilities beyond 50 miles, describe your route, distance, and relevant agreements to **transport material** from the receiving facility. List the type, age, and ownership of the transportation equipment.
15. Describe your plans and commitments for maintaining receiving and transportation during **planned and unplanned disruptions** such as weather.
16. Identify **backup facilities** and fill out **Form 6** for each.
17. Identify the percentage of **commodities currently and proposed to be sold** to different end users such as the agricultural sector, landscapers, the general public, WSDOT and other state or local agencies
18. Identify your **biogas end markets** (*if applicable*)
19. Describe the **testing programs in place for your final products** including soil amendments, land application products, fertilizer products, liquids and other products.
20. Describe your **testing programs for compostable** bags and single-use food service ware.

Section D: Proposed Transfer and Trans-load Facility

Please provide detailed information in response to the following questions *if applicable*.

1. Complete a separate **Form 6** for any proposed separate transfer or trans-load facility describing **material quantities and flows**. **Form 6** should be filled out for each facility that the proposer will use.
2. Provide the **size and location** of your site. Identify any **operational limitations** as far as hours of operation, tipping capacity, types of vehicles etc.
3. Describe the status of relevant **permits and regulatory conditions** for receiving and processing facilities. Attach the following:
 - a) Health agency annual operating permits for 2011 and 2012 (if 2012 is available)
 - b) Building permits
 - c) Storm water discharge and leachate treatment permits

- d) Air quality permits
- e) SEPA review or major changes
- f) Other relevant permits

4. For **new proposed facilities** please provide the following information:

- a) Current property owner and development status;
- b) Schedule for constructing the processing facility;
- c) If the property is not owned by the Proposer, a copy of the option agreement to purchase the property or other document or agreement indicating that Proposer may use the property if selected;
- d) Documentation that the proposed location is in an area that is zoned for transferring or trans-loading organics;
- e) Status of all pending permits and approvals from the local building department, local Health agency, local air quality authority, WA State Department of Ecology and other relevant agencies;
- f) Anticipated schedule for submitting and receiving approval for SEPA documentation, building permits, health department operating permits and any other permits or approvals required; and
- g) Propose specific contract language, including penalties, in the event a processing contract is signed, and subsequently (i) you are unable to obtain permits and approvals, or (ii) there are delays so that you are unable to accept organic material for processing on April 1, 2014.

5. Identify the **environmental controls** in place at the operation.

6. Describe actions taken to **reduce odor** at the point of material acceptance

7. Identify actions taken to **reduce neighborhood traffic, noise, dust and litter** impacts

8. Include a map of surrounding area showing zoning and the location of **nearby residences, hospitals, schools** and other potentially sensitive uses

9. Describe the **proposed traffic flow** to and from the facility

10. Provide **evidence of neighborhood/community** acceptance of facility.

Section E. Support for Workforce, Diversity and Sustainability

1. Complete **Form 7. Inclusion Plan** describing proposed affirmative efforts for any hiring or subcontracting anticipated for work on this contract.

2. Describe your record and commitment to **workforce diversity**.

3. Describe any findings, and resolution, of non-compliance to local, state or federal **anti-discrimination laws or regulations**.
4. Describe the **safety and training plans** at all proposed facilities and the safety plans for drivers and collection trucks using your facility.
5. List other **employee support programs** provided for employees of the proposed operations.
6. Provide the **wage and benefit packages** provided for relevant receiving, transportation and processing facility employees.
7. Describe your measures to **minimize diesel particulate emissions** for facility trucking and processing equipment. For processing facilities beyond 50 miles, provide the projected fuel consumption per trailer per one-way trip.
8. Describe your strategies to **minimize greenhouse gases** for your facilities and operations.
9. Briefly describe any **other sustainable business practices** within your operations.
10. Describe **proposed outreach partnerships** with the City to support increased organics diversion and decreased contamination.

Section F. Price Proposals

Complete **Form 8 Prices** for Base Services and for each Alternative proposed.

Section G. Alternative Proposals

For Alternative Proposals, list the proposal questions, responses and completed forms for any elements that would differ from the Base Proposal.